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UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE

10 IN RE ELECTRONIC BOOKS ANTITRUST
11 LITIGATION

12 Action Pending in:
13 United States District Court, Southern District
of New York (11-md-02293-DLC)

Case No.

DECLARATION OF JOHN LANGE
IN SUPPORT OF MOTION TO
QUASH OR MODIFY SUBPOENA
DUCES TECUM

NOTED FOR CONSIDERATION:
FRIDAY, OCTOBER 5, 2012

16 I, JOHN LANGE, do hereby declare:

17 1. **Identity of Declarant.** I am Associate General Counsel at Amazon.com,
18 supporting eBooks. In this role, I have personal knowledge of content for Amazon's Kindle,
19 plans for Kindle devices, Amazon's publishing and self-publishing lines of business, and
20 Amazon's pricing of eBooks, as well as the types of documents maintained by Amazon in
connection with those lines of business.

21 2. **Confidential Information Relating to eReaders.** I understand that Apple has
22 served Amazon with a subpoena and that it is insisting that Amazon produce to Apple documents
23 that would reveal detailed information regarding the development of Amazon's eReaders (both
24 Amazon's dedicated e-ink reading devices as well as Amazon's tablet computer, the Kindle
25 Fire), such as costs, engineering and other development information, pricing and sales strategies,
26 and Amazon's future plans and projections for its Kindle eReaders. Amazon has spent many
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DECLARATION OF JOHN LANGE IN SUPPORT OF
MOTION TO QUASH OR MODIFY SUBPOENA DUCES
TECUM - 1
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KIPLING LAW GROUP PLLC
3601 FREMONT AVE N, SUITE 414
SEATTLE, WASHINGTON 98103
telephone (206) 545-0345
fax (206) 545-0350

1 years and a significant amount of money developing its Kindle platform. Information relating to
2 the Kindle platform is highly confidential: We do not share our costs, revenues, sales figures,
3 plans and strategies, or our research and development documents, with anyone outside the
4 company. In fact, access to much of this data and many of these documents is limited within the
5 company on a need-to-know basis. Amazon's ability to compete with other sellers of eReaders
6 (which, of course, includes Apple) would be greatly diminished if its competitors were allowed
7 access to data relating to costs, revenues and sales figures, our research and development
8 documents, or our documents that reveal our forward-looking plans in the sale of eReaders. In
9 short, anyone with access to these documents would understand how Amazon has developed its
10 Kindle platform and where it is going with that platform.

11 **3. Confidential Information Relating to Amazon's Publishing Efforts.** I also
12 understand that Apple is insisting on the production of documents regarding Amazon's
13 publishing business. Amazon has its own publishing unit called Amazon Publishing. Amazon
14 also has a unit called Kindle Direct Publishing ("KDP"), which is a program that allows authors
15 to publish eBooks directly to consumers. Documents relating to Amazon Publishing and KDP
16 would reveal the details of Amazon's contracts and business arrangements with authors and our
17 forward-looking plans and strategies for this line of business. Such documents—especially our
18 forward-looking plans and strategies—are closely guarded secrets that Amazon does not make
19 available to anyone outside the company. Forced disclosure of these materials would likewise
20 cause significant harm to Amazon. Not only do we compete with the defendant publishers in
21 this line of business, but we are also involved in highly sensitive contract negotiations with many
22 of these publishers. Detailed disclosure of Amazon's strategies for publishing, or other sensitive
23 information regarding its publishing efforts, would give those publishers an unfair advantage in
24 negotiations with Amazon, and would give Apple a preview of what Amazon is planning.
25 Likewise, detailed disclosure of Amazon's relationships with authors would give the publishers
26 an unfair advantage in competing for content.

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DECLARATION OF JOHN LANGE IN SUPPORT OF
MOTION TO QUASH OR MODIFY SUBPOENA DUCES
TECUM - 2
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KIPLING LAW GROUP PLLC
3601 FREMONT AVE N, SUITE 414
SEATTLE, WASHINGTON 98103
telephone (206) 545-0345
fax (206) 545-0350

1 4. **Confidential Information Relating to Pricing.** Finally, I understand that Apple
2 also insists that Amazon produce its “pricing algorithm” for eBooks and documents that would
3 show the precise methodologies employed by Amazon to determine retail prices on eBooks.
4 Amazon has invested substantial time and money in developing a system for setting the retail
5 price of eBooks and these documents are among the company’s most highly-guarded trade
6 secrets. Access to such information is restricted even within the company. We would never
7 share that information outside the company, especially with a competitor in the sale of eBooks
8 (such as Apple). If Apple were to learn exactly how Amazon determines the price it will charge
9 for eBooks, it would give them a significant unfair advantage over Amazon in the sale of
10 eBooks.

11 I declare under penalty of perjury that the foregoing is true and correct.

12 EXECUTED at Seattle, Washington this 14th day of September 2012.

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15 John Lange

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DECLARATION OF JOHN LANGE IN SUPPORT OF
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TECUM - 3
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KIPLING LAW GROUP PLLC
3601 FREMONT AVE N, SUITE 414
SEATTLE, WASHINGTON 98103
telephone (206) 545-0345
fax (206) 545-0350

CERTIFICATE OF SERVICE

I do hereby certify that on this 14th day of September, 2012, I caused to be served a true and correct copy of the foregoing *Declaration of John Lange in Support of Motion to Quash or Modify Subpoena Duces Tecum* by method indicated below and addressed to the following:

Christopher Wells
Lane Powell PC
1420 Fifth Avenue, Suite 4100
Seattle, WA 98101
Telephone: (206) 223-7084
Email: wellsc@lanepowell.com

Delivery Via:

[] U.S. Mail
[] Overnight Mail
[] Facsimile
[] Hand Delivery
[] E-Mail Only
[] CM/ECF

Andrew Frackman
Edward N. Moss
O'Melveny & Myers LLP
Times Square Tower
7 Times Square
New York, NY 10036
Telephone: (212) 728-5671
Email: afrackman@omm.com
Email: emoss@omm.com

Delivery Via:
[] U.S. Mail
[] Overnight Mail
[] Facsimile
[] Hand Delivery
[] E-Mail Only
[] CM/ECF

DATED this 14th day of September, 2012.

s/ Michael E. Kipling
Michael E. Kipling, WSBA #7677
KIPLING LAW GROUP PLLC
3601 Fremont Avenue N., Suite 414
Seattle, WA 98103
206.545.0345
206.545.0350 (fax)
E-mail: kipling@kiplinglawgroup.com

Counsel for Amazon.com, Inc.